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SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE: SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE

Summary reports on Benin, the Central African Republic, Chad, Djibouti, Ecuador, Madagascar, Vanuatu and Yemen

Report of the Secretary-General

CONTENTS

		Paragraphs	Page
I.	INTRODUCTION	1 - 5	3
II.	REGIONAL BUREAU FOR AFRICA	6 - 50	4
	A. Benin	6 - 16	4
	B. Central African Republic	17 - 23	6
	C. Chad	24 - 36	8
	D. Madagascar	37 - 50	11
III.	REGIONAL BUREAU FOR THE ARAB STATES	51 - 76	13
	A. Djibouti	51 - 60	13
	B. Yemen	61 - 76	16

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CONTENTS (continued)

		Paragraphs	Page
IV.	REGIONAL BUREAU FOR ASIA AND THE PACIFIC	77 - 82	20
	Vanuatu	77 - 82	20
V.	REGIONAL BUREAU FOR LATIN AMERICA AND THE CARIBBEAN	83 - 93	22
	Ecuador	83 - 93	22

I. INTRODUCTION

1. The General Assembly, at its forty-sixth session, adopted the following resolutions on 19 December 1991: resolution 46/171, entitled "Special economic assistance to Chad", resolution 46/174, entitled "Special assistance to Yemen", and resolution 46/175, entitled "Assistance for the reconstruction and development of Djibouti". At its forty-fifth session, the General Assembly on 21 December 1990 adopted resolution 45/230, entitled "Assistance to Benin, the Central African Republic, Ecuador, Madagascar and Vanuatu". In each resolution, the Secretary-General was requested to report to the General Assembly at its forty-seventh session on the implementation of the resolution. The present report contains the reports of the Secretary-General in pursuance of those resolutions.

2. The reports, which are summary in nature, update information contained in previous reports of the Secretary-General: A/46/316 with respect to Chad and Djibouti, A/46/217-E/1991/94 in the case of Yemen, and A/45/358 on Benin, the Central African Republic, Ecuador, Madagascar and Vanuatu.

3. The introduction to document A/45/358 describes the purpose of the special programmes of economic assistance that have been established by the General Assembly for a number of developing countries. Of the eight countries identified above, seven have been included in the list of least developed countries established by the General Assembly. As a follow-up mechanism of the Substantial New Programme of Action for the 1980s for the Least Developed Countries 1/ and the Programme of Action for the Least Developed Countries for the 1990s, adopted by the Second United Nations Conference on the Least Developed Countries on 14 September 1990, 2/ a significant number of countries are implementing a round-table process and, to an increasing extent, these countries have integrated the special programme of economic assistance into the round-table process in mobilizing and coordinating assistance. Document A/45/358 provides information on the round-table process as an appropriate framework in which to assess the status and future needs of a country. The lead institution in the round-table process is the United Nations Development Programme (UNDP).

4. In his progress report on reform and renewal in the United Nations (A/42/234), the Secretary-General decided that the administration of the special programmes of economic assistance would henceforth be the responsibility of UNDP. Accordingly, the reports in the present document have been prepared by UNDP, based for the most part on information provided by the Governments concerned through the resident coordinator of the United Nations system's operational activities for development and the resident representative of UNDP, as well as on data available in the UNDP regional bureaux and information provided by concerned United Nations offices, programmes and agencies.

5. In the present report, the summary reports are presented according to the allocation of country responsibility among UNDP regional bureaux. Additional

information concerning any of the special programmes of economic assistance or round-table conferences or meetings may be obtained from the appropriate UNDP regional bureau or from the Government concerned.

II. REGIONAL BUREAU FOR AFRICA

A. Benin

1. Background

6. In its resolution 45/230, the General Assembly noted that Benin continued to face a financial crisis that had resulted from the erosion of the tax base, the collapse of the banking system, a fall in revenues, the persistent consequences of the 1988 floods and the regional economic malaise. The Assembly appealed to the international community to continue and increase its assistance to Benin.

2. The economic and financial situation

7. The report of the Secretary-General (A/45/358) contains a brief description of the political changes effected in Benin in December 1989, the financial and economic difficulties facing the country and the main elements of the structural adjustment programme adopted by the Government of Benin, with the support of the International Monetary Fund (IMF) and the World Bank, for the period from 1989 to 1992.

3. Round-Table Conference, April 1992

8. As a result of the severe financial crisis, social and economic development in Benin suffered a severe slowdown. With the assistance of UNDP, the Government of Benin held a Round-Table Conference of Donors at Geneva on 2 and 3 April 1992. The Conference provided the Government with an opportunity to discuss with donors Benin's macroeconomic policies, sectoral strategies, social development strategy and the programme of technical assistance.

9. The Government reported on the results achieved from the implementation of the first structural adjustment programme and from the first nine months of the second structural adjustment programme. On the whole, the structural adjustment measures, implemented under extremely difficult social and political conditions, were beginning to show positive results in the form of a resumption of economic growth, sounder State finances, a lightening of the external constraints to growth and restructuring of the public sector.

10. The second structural adjustment programme aims in particular at bringing Benin's public finances closer to equilibrium, promoting the banking and private sectors, continuing reform in the public sector and rationalizing the

institutional framework. Donors welcomed the Government's declared intention of integrating the social aspects of development into its macroeconomic policies and achieving a greater degree of equity and participation in national development. In this connection, a degree of decentralization in the administration was favoured and the important role to be played in development by women, rural associations and non-governmental organizations was recognized.

11. It was noted that while discernible progress had been made in some key areas of the economy, continuing economic weakness was contributing to rising unemployment among young people. There was agreement that extreme poverty among vulnerable groups would require the Government's close attention in coming years. Many of the social costs of restructuring and financial stabilization remain to be dealt with, and the challenge for the future is to establish conditions of lasting economic growth, taking fully into account the human dimension.

12. With a view to enhancing the impact of technical assistance, Benin has, since 1989, been formulating a technical assistance strategy within the framework of national technical cooperation assessment and programmes. Views were expressed at the Conference that the rate of transfer of competency to Benin nationals should be accelerated, in view of the current very high level of foreign expertise. The fiscal and customs areas and macroeconomic management were identified as particularly warranting the support of donors in their technical assistance to Benin.

13. There was general agreement on the part of donors in the long-term benefits to Benin of membership in existing institutions for economic and monetary cooperation among the States of West Africa. The Government has the matter under consideration.

14. In total, pledges to Benin made by donors at the April 1992 Round-Table Conference are in excess of the requirements for the period from 1992 to 1994. Sectoral strategies and priorities were presented to donors. The specific needs of each sector will be considered at sectoral consultations in follow-up to the Conference; these consultations will be prepared by the Benin Government with the assistance of a lead donor. Six consultations are scheduled for the near future. The sectors, lead donor countries or agencies and tentative dates are:

(a) Rural development, France/World Bank, October 1992;

(b) Social dimension of development, Germany, November 1992;

(c) Education, France/United States of America, December 1992;

(d) Infrastructure, World Bank, February 1993;

(e) Private sector, West African Development Bank, March/April 1993;

(f) Health, Commission of the European Communities, May 1993.

15. In follow-up to the Round-Table Conference, an in-country review meeting is also scheduled to be held towards May 1993.

16. Copies of the documentation prepared for the April 1992 Round-Table Conference as well as the report on the Conference may be obtained from UNDP or the Government of Benin.

B. Central African Republic

1. Background

17. In its resolution 45/230, the General Assembly noted the grave difficulties that the Government of the Central African Republic had continued to face since 1982 in achieving the objectives of its development programme owing to the effects of the international economic situation. The Assembly appealed to the international community to continue and increase its assistance to the Central African Republic.

2. Priorities for action

18. The priorities for action identified in the five-year development plan 1986-1990 and under the first stages of a structural adjustment programme for the Central African Republic launched in 1981 are outlined in the reports of the Secretary-General (A/42/442, sect. II.B; A/43/483, sect. II.B; and A/45/358, sect. II.B). Among the leading priorities are a sustainable increase in national output; a strengthening of the public administration system; overcoming the constraints to external trade and communications imposed by the land-locked situation of the country; social development and development of the country's human resources; preservation of the environment; and strengthening of the capability in national planning and socio-economic management.

19. A Round-Table Conference of Donors to the Central African Republic, convened in April 1991 by the Government with the assistance of UNDP, presented an opportunity for discussion between the Government and donors concerning economic and financial strategies, planning priorities and sectoral policies. In follow-up to the Conference, consultations on the health sector between the Government and donors are scheduled for November 1992, while consultations on education, training and employment are expected to be held in late 1992 or early 1993. Copies of documentation relating to the April 1991 Round-Table Conference may be obtained from UNDP or the Government of the Central African Republic.

3. Assistance received

20. The reports of the Secretary-General identified in paragraph 18 above indicate areas of support provided by the international community to the Central African Republic as the Government implemented the earlier stages of the five-year development plan and the structural adjustment programme. The following table shows external assistance to the Central African Republic for the period from 1989 to 1991, as actually received and, in parentheses, as had been anticipated.

Table. External assistance to the Central African Republic, 1989-1991

(Billions of CFA francs)

	1989		1990		1991	
(a) Investment	29.0	(33.9)	28.8	(36.7)	26.0	(36.6)
(b) Technical assistance	12.5	(12.5)	13.7	(13.7)	11.0	(11.0)
(c) State budget, of which	23.3	(33.8)	26.8	(24.0)	16.5	(17.0)
debt relief	2.3	(4.8)	3.1	(1.5)	-	(-)
Total (a + b + c)	64.8	(80.2)	69.3	(74.4)	53.5	(64.6)

Source: Ministry of Finance and Ministry of Economic Affairs and Planning, Central African Republic.

21. The figures indicate that in the period from 1989 to 1991, total external assistance to the Republic was less than had been expected and also that total external assistance to the country fell off in 1991 as compared with the two previous years.

4. Assessment of needs unmet and proposals for responding to them

22. Preliminary estimates of needs to be met in 1992 amount to 59.8 billion CFA francs. With CFAF 32.2 billion expected from domestic and external sources, a deficit of CFAF 27.6 billion remains.

23. International assistance to help the Central African Republic achieve its social, economic and financial goals could be of the following kind:

(a) Full implementation of commitments made by donors at the April 1991 Round-Table Conference;

(b) Support to the Government to implement a strengthened structural adjustment programme;

(c) Support under the sectoral consultations scheduled. Implementation of action in follow-up to the consultations on rural development, held in June 1989, and on transport and road maintenance, held in March 1990, following the June 1987 Round-Table Conference.

C. Chad

1. Background

24. The effects of war and recent natural calamities and disasters in Chad that have compromised the reconstruction and development efforts of the Government were taken into consideration by the General Assembly at its forty-sixth session. In its resolution 46/171, the Assembly, inter alia, requested the Secretary-General to assess the humanitarian needs of displaced populations in Chad and renewed its request to the international community to contribute to the rehabilitation and development of the country.

2. The economic situation

25. The economy of Chad remains extremely fragile despite internal efforts and external assistance to redress the situation. Despite plans to implement measures of reduced military expenditures, wage stabilization and fiscal restructuring, the deficit on the current State budget reached a record high of CFAF 25.4 billion in 1991. Also reflecting the deterioration in Chad's financial situation, the volume of external debt increased, reaching a level representing 35 per cent of GDP. Plans to rehabilitate, restructure or liquidate public enterprises did not advance to implementation.

26. On the other hand, Chad's agricultural output in the 1990/91 season benefited from good rainfall. Production of cotton grain, the principal cash crop, was 38 per cent higher in 1991 than in the previous year. However, owing to saturation of Chad's processing plants and the decline in world cotton prices, cotton revenues were lower by CFAF 2.7 billion as compared with the year before. Livestock, the second cash earner for Chad, showed a 2.7 per cent increase in production. Industrial production failed to show any growth.

3. The refugee situation and food needs

27. Despite an increase in the production of cereals in Chad in 1990/91 as compared with 1989/90, output continues to fall short of the subsistence needs of Chad's population, which is growing rapidly as a result of high fertility rates and the influx of a large number of Chadian refugees who have returned to their country. In 1991, 449,280 Chadian refugees were repatriated and a further 12,000 are expected to return in 1992 or early 1993. The immediate food needs of the refugees are estimated at 83,000 tons of cereals. To meet the overall food needs, 106,000 tons of cereal are sought from the international community.

4. Round-table process

28. During the Third Round-Table Conference of Donors to Chad convened at Geneva in June 1990, seven themes were selected to be the subject of sectoral consultations in Chad for the years 1990-1993. Consultations on education, training and employment were held in November 1990. Revisions to the programme are now ready for implementation. Consultations on technical cooperation were held in November 1991. For the other sectors, an agenda was drawn up during the in-country review meeting held in March 1992, as follows:

(a) Health and social affairs, June 1992;

(b) Promotion of the private sector, October 1992;

(c) Environment and desertification, December 1992;

(d) Rural development, food security and hydraulic resources, January 1993;

(e) Urban development and sanitation, January 1993.

Consideration is being given to an eighth theme, the integration of women into development.

5. Other assistance from the United Nations system

29. The Office of the United Nations High Commissioner for Refugees (UNHCR) continues to seek lasting solutions to refugee problems through the promotion of voluntary repatriation and reintegration. In 1992, some 12,000 Chadians, out of a total case-load of 20,000, registered for voluntary repatriation out of neighbouring countries. By mid-May 1992, 3,412 Chadians had been repatriated. The remainder of those who registered may choose to be repatriated after the rainy season, possibly during the last quarter of 1992 or early 1993. Those who returned are now settled in their areas of origin in Chad. The Islamic Africa Relief Agency provided medical assistance during the repatriation. UNHCR provided assistance in the form of transportation to final destinations, domestic utensils, seeds and agricultural tools, such as hoes, axes and machetes.

30. The programme of the Food and Agriculture Organization of the United Nations (FAO) in Chad covers such areas as food security, environmental conservation, combating desertification, strengthening rural institutions, development of human resources and promotion of better nutrition. With technical assistance from FAO, the Government of Chad is preparing a comprehensive food security programme. A first assessment phase has been completed and specific action proposals will be presented at a national seminar in October 1992. A draft programme, including specific project proposals for external funding, will be submitted to the Government in December 1992. After approval, the programme will be circulated as the basis for a round-table discussion on food security. The organization is executing 19 field projects in Chad, with a total value of $28.6 million, of which eight projects with a value of $1.2 million were funded through FAO's technical cooperation programme.

31. The World Food Programme (WFP) is implementing three development projects in Chad in the areas of education, food for vulnerable groups and rural development, valued, respectively, at $23.9 million, $4.5 million and $2.4 million. In 1991, emergency food assistance was provided to 167,000 persons, under an allocation of 10,000 tons of cereals. A stock of 1,800 tons carried over from 1991 is being distributed in 1992 to 10,000 returnees. A bilateral contribution of over 5,000 tons of cereals is to be distributed in 1992 to help meet food shortages in south-west Chad.

32. The United Nations Children's Fund (UNICEF) contribution to Chad in 1991 amounted to $4,195,400. Activities are focused on social mobilization aimed at improving the quality of life of children and women. A notable increase in vaccination programmes in some areas has been effected. In collaboration with Rural Radio and Chad National Radio, UNICEF produces and broadcasts educational programmes, organizes seminars and assists with the training of Rural Radio personnel.

33. The UNDP contribution to Chad in 1991 totalled $10.3 million; the Programme's activities revolved mainly around follow-up to the Third Round-Table Conference for Chad held in June 1990, including establishing a dialogue between counterparts and other aid-mobilizing and coordinating activities.

34. The contribution to Chad of the United Nations Capital Development Fund in 1991 totalled $1 million and included financing for the construction of a national school of public health.

35. The Department of Economic and Social Development is executing a total of 12 projects in Chad, valued at $3.7 million. These cover the areas of social development, statistics, energy, water resources and mineral resources. As part of projects being carried out by the Department, 33 Chadian nationals were placed for training in other countries in 1991.

6. Other donors

36. Total bilateral assistance to Chad in 1991 is estimated to have increased by more than 30 per cent during 1990.

D. Madagascar

1. Background

37. In its resolution 45/230, the General Assembly noted that Madagascar's economic and social development efforts were being thwarted by the adverse effects of the cyclones and floods that afflict the country periodically, and that the implementation of reconstruction and rehabilitation programmes required the mobilization of substantial resources that were beyond the country's means. The Assembly appealed to the international community to continue and increase its assistance to Madagascar in response to identified needs. In the period 1991-1992, Madagascar has experienced both a cyclone and drought.

2. Cyclone Cynthia

38. In February 1991, the western areas of Madagascar experienced the effects of Cyclone Cynthia. Two areas in particular were affected - Mahahunga and Morondava. Donor countries, agencies and institutions responded rapidly with assistance. Multi-donor missions were carried out to both areas to assess the damage and identify the most urgent needs.

39. With regard to Mahahunga, one of the principal rice-producing areas of Madagascar, the mission concluded that emergency food aid was not necessary. However, the extremely heavy rains had seriously affected the agricultural sector, involving damage to land under cultivation, loss of livestock and, particularly serious, loss of an enormous stock of seed. This loss was identified by donors as a priority problem and, in response, the United States Agency for International Development (USAID) and the French Fonds d'Aide et de Coopération distributed 430 tons of seed. The mission to Mahahunga concluded that the repercussions of the cyclone would be felt in the medium term and that measures, not of an emergency nature, but of rural development should be put in place.

40. In the Morondava region, the town and the upstream areas were flooded. As a result of the bursting of the Dabara dam, the waters rose without check, causing serious damage to the rural infrastructure; almost 10,000 hectares of rice fields in this area depend on the 70 kilometre-long canal fed by the Dabara dam, which was itself badly damaged and weakened by the floods.

Assistance received

41. International assistance focused first on food aid, medicines and medical supplies to meet the emergency situation. However, the priority for subsequent action was deemed to be the rehabilitation of the Dabara canal, on which about 100,000 persons depend to continue their way of life. Thus, a food-for-work programme was established with assistance provided by WFP, UNDP, Swiss Cooperation, the French Caisse centrale de coopération économique and USAID.

42. In April 1992, an assessment mission funded by Swiss Cooperation was carried out to evaluate the situation and draw up the information that would enable donors to decide on their follow-up activities. The mission's report indicated good donor response to an emergency situation and concluded that the food-for-work programme had proved to be a very good option. More than 350,000 man/days had been invested for the rehabilitation of the irrigation network. Although the cleaning out of the primary canal has been completed, further rehabilitation work remains to be done to permit satisfactory flows of water.

Needs still unmet and specific proposals for responding to them

43. According to the report of the assessment mission, two areas of need remain to be met, one of which is the total rehabilitation of the irrigation network. The mission considered that, while some of the work could be continued under the food-for-work programme, certain areas of the rehabilitation work would need to be carried out by a commercial enterprise. Several options were proposed for the consideration of donors concerning the way the work would be carried out, the length of time involved and the cost.

44. The second area of need was identified as the establishment of a rational, well-structured system of water management to ensure satisfactory water operations at all seasons of the year.

45. As at mid-May 1992, donor agencies and institutions entered into consultations with a view to selecting from the alternative proposals and making their commitments for the continuation of the required work. It is to be stressed that if the work is halted before the irrigation network is restored, the efforts and investment so far made in labour and capital will have been wasted.

3. Drought

46. The unfavourable rain pattern of 1990/91 in Madagascar was followed by a severe year-long drought. The rains for the 1991/92 growing season were late, beginning only towards the end of January 1992; the crops could be expected only three months after that date. The unfavourable pattern of rainfall being experienced by Madagascar is expected to present serious difficulties until January/February 1993.

47. In May 1992, a joint government/multi-donor mission visited the areas most affected by drought in the south of Madagascar.

Priorities for action by the international community

48. The priorities for action were of two kinds: provision of food to meet the emergency needs of the affected populations in the south and, in consultation with the Government, formulation of medium- and long-term development policies for the south.

Assistance provided

49. In April 1991, Germany provided approximately $250,000 to WFP for the local purchase and distribution of food to those worst affected. Beginning in October 1991 and continuing until March 1992, WFP distributed 15,000 tons of rice from the United States of America and 570 tons of maize provided by the European Economic Community. In the period March/April 1992, WFP, using funds provided by Germany and the World Bank, arranged for the local purchase and distribution of 2,600 tons of maize, of which one half had been distributed by 10 May 1992. To help meet the situation caused by the late arrival of the 1991/92 rains, a shipment of 5,500 tons of maize from the United States was expected to reach Madagascar by the second half of June 1992.

Needs still unmet and specific proposals for responding to them

50. For the period from mid-May 1992 to mid-February 1993, the food needs not covered are estimated at 15,200 tons of maize and 1,050 tons of beans to be purchased locally at a cost of approximately $5 million and 42,840 tons of maize and 7,140 tons of beans to be imported at a cost of $11,715,000. In addition, urgent health measures are required; in particular, the availability of potable water needs to be ensured. Action on the part of the Government and donors is deemed necessary to prevent seasonal recurrences of situations of this nature in future.

III. REGIONAL BUREAU FOR THE ARAB STATES

A. Djibouti

1. Background

51. In its resolution 46/175, entitled "Assistance for the reconstruction and development of Djibouti", the General Assembly noted that the development efforts of Djibouti had been hindered not only by its geographical location and the adverse international economic climate but also by the effects of floods that periodically devastate the country. The Assembly expressed concern that the situation in Djibouti had been further adversely affected by recent events in the Horn of Africa, noting that the influx of over 95,000 persons displaced from their countries had placed serious strains on the country's fragile economic, social and administrative infrastructure. The

Assembly called for a re-evaluation of the requirements of Djibouti with a view to drawing up programmes of rehabilitation, reconstruction and development. The Assembly also called upon the international community to provide substantial assistance to Djibouti.

2. Impact of the Persian Gulf crisis

52. The report of the Secretary-General (A/46/316, sect. III) indicated the impact of the Gulf crisis on the economy of Djibouti through the effects on energy costs, air and sea transport and travel costs, State revenues, the informal trade sector and delayed or abandoned development projects that were to have been funded by Kuwait or Iraq. The economy is still suffering from the effects of these developments.

3. Refugees and displaced persons

53. The situation in the Horn of Africa has resulted in an influx of over 100,000 refugees and displaced persons into Djibouti, swelling Djibouti's population by 20 per cent. The influx has exacerbated the already serious food shortage resulting from the drought.

54. In response to the intensification of the humanitarian crisis in the Horn of Africa, the Secretary-General fielded an inter-agency mission in June 1991 to assess the immediate requirements for humanitarian assistance in the region. An appeal for the Horn based on needs identified by the mission was launched in September 1991. Since the September appeal, conditions in many parts of the Horn have worsened. Following a review of the situation in January 1992, an appeal was launched by the United Nations. The United Nations document 3/ provides detail on the urgent and priority activities to be undertaken in the region by the United Nations system and the resources required for their implementation in 1992. The document stresses that, while the funding requested is substantial, the needs identified represent but a small part of the total humanitarian assistance required. The full support of donors is needed to meet the very basic and minimal needs identified.

55. As the document indicates, the United Nations response to the needs of Djibouti, while only partly covering the requested interventions, can have a major impact if undertaken in a regional context. Six projects in Djibouti were proposed by the United Nations mission for priority funding, at a total estimated cost of $10.6 million, as detailed below:

(a) Multisectoral assistance to refugees. At a cost of $2.3 million and for implementation in the period February to July 1992, the proposed project aims to reach 33,000 refugees in camps in Djibouti, strengthening camp infrastructures and providing primary education;

(b) Food assistance for refugees. With a time-frame of February to December 1992, the cost of the proposed project is $2.1 million;

(c) Port and railroad rehabilitation. At an estimated cost of $5,075,000 and a time-frame of February to December 1992, the objective is to improve the handling of Ethiopian-bound relief shipments;

(d) Strengthening of health, nutrition, water and sanitation services. At an estimated cost of just over $500,000, the proposed project would be implemented in the period February to July 1992;

(e) Recovery of peripheral health services. To be implemented over a six-month period, at an estimated cost of $280,000, the proposal is to renovate four dispensaries in the border areas through which the refugees pass;

(f) Control of tuberculosis. At an estimated cost of $306,000 and with a six-month implementation period, the proposal is to treat 1,000 cases of tuberculosis and to institute a nutrition surveillance programme in refugee camps.

56. A description of the situation in Djibouti as a result of events in the Horn of Africa as well as details of the six proposed projects identified above are contained in the Consolidated Inter-agency Appeal, copies of which may be obtained from the Department of Humanitarian Affairs of the Secretariat.

4. International assistance for reconstruction and development

Project assistance

57. Following the devastating floods experienced by Djibouti in April 1989, the Government, with donor assistance, has undertaken important measures of reconstruction and rehabilitation. A second multi-donor development project for Djibouti City was approved in the course of 1991-1992. With a value of $45.5 million, the project, to be implemented over 1992-1997, will provide the city with sanitation and low-cost housing schemes that will benefit over 80,000 city residents. The main donors are France, with funding of $14.6 million; the World Bank, with an $11.2 million International Development Agency (IDA) loan; the European Economic Community, providing $10.5 million; and additional funding from the Organization of Petroleum Exporting Countries (OPEC)/Arab funds.

58. A $4.5 million low-cost housing project, financed by UNDP and the United Nations Capital Development Fund and to be carried out over 1991-1994, will set up self-help construction schemes in the poorest areas of Djibouti City.

59. An ongoing $13.3 million sanitation and drainage project, funded by the African Development Bank, aims to protect urban water supply systems from polluting elements resulting from flooding caused by heavy rains.

The round-table process

60. Following the approval of a national development plan for 1991-1995, the Government has had preliminary discussions with UNDP concerning the convening of a second round-table conference, possibly in 1993. Also under consideration are sectoral consultations with selected donors within the framework of a round-table process.

B. Yemen

1. Background

61. In its resolution 46/174, entitled "Special assistance to Yemen", the General Assembly expressed deep concern at the grave economic and social consequences of the considerable flow of returnees to Yemen at a time when the country was afflicted by severe economic crises. It was noted that approximately 1 million expatriates had returned to their country as a result of the situation between Iraq and Kuwait, in addition to the flow of tens of thousands of refugees and returnees from the Horn of Africa as a result of the developments in that region. In the resolution, the Assembly called upon the international community to extend special assistance to Yemen to enable it to deal with the situation resulting from the influx of refugees and returnees. The Secretary-General was requested to assist in mobilizing resources and to prepare a comprehensive programme of assistance.

62. The report of the Secretary-General on assistance to Yemen (A/47/283-E/1992/83) provides information on the reshaping of the economic policies of the country following the unification of two independent States on 22 May 1990 and on the social and economic challenges facing the country.

2. Round-Table Conference, 30 June-1 July 1992

63. In consultation with UNDP, the Government of Yemen convened a Round-Table Conference of Donors to Yemen, held at Geneva on 30 June and 1 July 1992. The extensive documentation prepared for the Conference provides potential donors with detailed information on the post-unification situation and key issues, as well as analyses of individual sectors. Priority areas for donor support are indicated. Financial, technical and other types of assistance to Yemen will strengthen the ability of the Government to cope with the serious social and economic situation resulting from the massive influx of returnees and refugees. Copies of the documentation prepared for the Round-Table Conference are available from UNDP, or from the Government of Yemen.

3. The returnees

Impact on the economy

64. Approximately 1 million Yemeni expatriates returned to their country as a result of the situation between Kuwait and Iraq. The repatriation caused the Yemeni resident population to increase suddenly by 7 per cent, imposing a severe strain on social services and infrastructure. Compounding the situation was a contraction of traditional grant aid.

65. While more than 50 per cent of the returnees settled in rural areas, 25 per cent are estimated to have returned to four urban centres. Costs of accommodation have risen sharply and urban congestion has increased.

66. In the first stage, after August 1990, the emergency situation led to immediate requirements for humanitarian aid. Also serious, however, were the long-term social and financial implications. The loss in foreign exchange from remittances, exports, refining fees and other sources was estimated at $1.384 billion for the year 1990/91. Moreover, the country was suddenly confronted with the problem of absorbing the returnees into a social and economic situation already under strain and of meeting the additional demand for food and basic social services and facilities. Particularly serious was the exacerbation of the existing unemployment situation; the number of unemployed is expected to grow from an estimated 430,000, or 10 per cent of the national work force, to 1 million by 1993.

Government action

67. The Government reacted to the crisis by declaring an emergency in December 1990 and by implementing a number of measures designed to alleviate the situation:

(a) A reception area was provided for new arrivals and assistance given for transportation to home areas;

(b) About $170,000 in funds was reallocated from the 1990 capital budget to meet recurrent expenditures and the 1991 budget allocation for social services was raised by 10 per cent;

(c) A charge of one day's salary was levied on government employees to help meet the new financial burdens;

(d) A special fund of $16.7 million was created in the cooperative and agriculture credit bank to assist returning farmers;

(e) New university and secondary school graduates were assigned as teachers to meet the educational needs of some 200,000 school-age children at a time of loss of foreign contracted teachers;

(f) A 5 per cent surcharge on import tax was levied.

68. To meet the longer-term needs arising from the large-scale repatriation, the Government formulated an emergency recovery programme, with the assistance of UNDP and IDA. The programme aims at strengthening the social infrastructure, creating employment opportunities in areas such as road construction and increasing food production in agriculture and fisheries. The total cost of the programme is estimated at $245 million. The budget for the first phase of the programme, which will focus on road construction, agriculture, education and housing, is estimated at $60 million and a number of donor Governments and institutions will provide, in total, $52.6 million, as detailed in the following section.

International assistance

69. Donor funding of Yemen's emergency recovery programme is as follows (in millions of United States dollars): IDA, 33.0, USAID, 15.0, the Government of Germany, 4.2, and UNDP, 0.4, thus making a total of $52.6 million.

70. Assistance provided by United Nations agencies and institutions included the following:

(a) Office of the United Nations Disaster Relief Coordinator (UNDRO) helped in coordinating humanitarian aid from specialized international agencies for some 125,000 returnees;

(b) UNDP funded a $400,000 project to strengthen the project management unit of the emergency recovery programme;

(c) UNICEF contributed $160,000 from its emergency reserve fund in response to the Government's December 1990 appeal. The funds were used to procure and airfreight 14 tons of emergency health and medicine kits to the Tihama area. Release of a further $100,000 from the emergency reserve fund was approved in January 1991 to procure stocks of measles vaccines and provide support to health teams in the area. In July 1991, UNICEF provided medicines and medical supplies in response to an outbreak of severe diarrhoea in two of the southern goverorates and in August 1991 the Fund provided further medical supplies valued at $22,000. Continued support from UNICEF is expected in 1992;

(d) The World Health Organization (WHO) provided medicines and medical supplies to combat epidemics of diarrhoea and cholera, particularly in the Mahra Governorate;

(e) The International Labour Organisation (ILO) fielded a fact-finding, need assessment and project formulation mission to Yemen in December 1990, which made a number of recommendations on the integration of the returnees. In May 1992, ILO co-sponsored with UNDP a seminar on the capacities of Yemen and a number of other countries in the region to manage labour migration in the wake of the Gulf crisis;

(f) The United Nations Population Fund (UNFPA) funded a seminar in April-May 1991 on the socio-economic impact of the returnees;

(g) The Economic and Social Commission for Western Asia (ESCWA) in December 1991 organized an expert group meeting on the absorption of returnees in the region with special emphasis on opportunities in the industrial sector.

71. A number of non-governmental organizations assisted in relief efforts during the emergency phase, with the Ministry of Health coordinating their activities.

4. The refugees

Current situation

72. An influx of refugees from the Horn of Africa into Yemen began in the first months of 1991. Currently, some 30,000 to 35,000 refugees, so recognized under international definition, are being accommodated in six camps and some urban areas in Yemen. The camps create an additional demand on Yemen's social and health services, medicines and medical supplies. Diseases and epidemics tend to spread in the camps, education of the children presents problems and a number of refugees, not recognized as such under international definition, try to gain entry into Yemen's labour market.

Assistance to refugees

73. Although the Government of Yemen is conducting a generous asylum policy, it is not in a position to provide financial assistance.

74. UNHCR is providing assistance valued at $900,000 for the year 1992, of which projects estimated at $700,000 are to be implemented in the first six months of the year. UNHCR is also extending the camp at Aden and establishing a new camp at Mukalla to help deal with the continuing influx of refugees.

75. WFP is providing 546 metric tons of emergency food assistance valued at $260,000, medicines and medical supplies, and provides field personnel and consulting doctors.

76. The Islamic Bank for Development established a school for the children at the Al-Khawkha camp.

IV. REGIONAL BUREAU FOR ASIA AND THE PACIFIC

Vanuatu

1. Background

77. In its resolution 45/230, the General Assembly noted that Vanuatu, an island developing country, continued to experience severe constraints in its economic and social development as a consequence, inter alia, of the deterioration in the terms of trade for its export commodities and of a high population growth rate, coupled with an absence of skilled labour. The Assembly appealed to the international community to continue and increase its assistance in response to the needs of Vanuatu.

78. The Government of Vanuatu is currently finalizing a new five-year development plan. This will identify the Government's social and economic priorities for coming years. In the meantime, the following assessments are provided by the UNDP Resident Representative in Fiji.

2. Major constraints to development

79. Four major constraints to development in Vanuatu are identified:

(a) A high population growth rate: excluding expatriates resident in Vanuatu, the population growth rate is 2.9 per cent, somewhat higher than real growth in GDP;

(b) Lack of skilled manpower, at almost all levels;

(c) Inadequate infrastructure: substantial investment is required to enable the country to benefit more fully from its natural and human resources;

(d) High dependency on external aid, which funds the bulk of the State capital budget and supports the external accounts; financial independence would require a substantial increase in domestic savings.

3. Priority areas for action by the international community, needs still unmet and proposals for meeting them

80. Nine priority areas for external assistance have been identified. While all are being addressed by donors to some extent, some gaps remain to be filled, as indicated below:

(a) National planning and policy formulation. Provision of expertise is required. Bilateral donors will be approached;

(b) Economic and financial management, adjustments and reform. While proposals have been made by regional and international institutions, a programme has not yet been drawn up;

(c) Institutional strengthening of the Vanuatu Development Bank. This is an ongoing programme that needs to be continued until the Bank is institutionally and financially sound;

(d) Tourism, agriculture and industry. UNDP is providing technical assistance for a tourism master plan. Other bilateral funds will be sought for policy assistance in the other two sectors;

(e) Policies to mobilize domestic savings. Inputs are envisaged from IMF, the Asian Development Bank and ESCAP;

(f) Building of infrastructure. Funding for this area is gaining momentum, but bilateral support will be needed for the next few years;

(g) Health and population. Family health and planning schemes should be continued with the support of UNICEF, WHO and UNFPA;

(h) Expertise. The provision of professional and technical expertise during the period when Ni-Vanuatus are being trained is essential and will continue to be sought of all existing donors;

(i) Training and provision of scholarships. The continued and increased support of existing donors will be sought.

81. While external assistance is being channelled towards Vanuatu's existing needs, much remains to be done before the country becomes economically and institutionally self-sustaining.

4. Assistance received

82. In the 1980s, external assistance to Vanuatu was at first focused on the development of the agriculture, forestry and fishing sectors and the service sector. Towards the end of the decade, a move towards the development of industries, infrastructure and human resources became evident. Total external assistance to Vanuatu in 1989 and 1990 amounted to $32.4 million and $32.1 million respectively, and was directed primarily to the development of human resources, transport, agriculture, forestry and fisheries, and strengthening of the administration. However, related to weakness in the economies of donor countries, external assistance has shown signs of decline in recent years. This is particularly serious in view of Vanuatu's high dependency on external aid in virtually all aspects of its economy, as indicated in paragraph 79 above.

V. REGIONAL BUREAU FOR LATIN AMERICA AND THE CARIBBEAN

Ecuador

1. Background

83. At its first regular session of 1987, the Economic and Social Council adopted resolution 1987/17, in which it called for the full participation of the international community in the reconstruction and rehabilitation of the areas of Ecuador affected by the devastating earthquakes of March 1987. In its resolution 45/230, the General Assembly drew attention to the economic and financial consequences of the earthquakes of March 1987 and their negative impact on Ecuador's balance of payments, and to the effects of the international economic crisis on the economic and social development process in Ecuador. The Assembly appealed to the international community to respond to Ecuador's needs with continued and increased assistance.

2. The 1987 earthquakes

84. As stated in the 1987 report of the Economic Commission for Latin America and the Caribbean (ECLAC) entitled "The natural disaster of March 1987 in Ecuador and its repercussions on economic and social development", two main factors aggravated the impact of the earthquakes: the economic dependency of Ecuador on petroleum exports and the unprecedented destruction in the infrastructure for the transportation of petroleum. Total material losses amounted to $890 million, making this one of the most damaging disasters in the energy sector. The process of reconstructing the petroleum pipe line, which took approximately 10 months, was undertaken with national resources and expertise. In the meantime, petroleum was carried by way of alternative routes through Colombia.

85. Following the disaster of 1987, there were strong indications that considerable improvements could be made to Ecuador's system of civil defence and a dialogue on several proposals aiming at improved response capability was initiated. For the first time, the national development plan for the period 1989-1992 included the risk factor in the planning process and took account of the need for scientific research on natural phenomena that can halt or reverse a country's economic and social advancement.

3. Assessment of assistance actually received

86. International cooperation was mainly for emergency relief and rehabilitation. The humanitarian assistance was prompt and abundant in cash, food, beds, tents, blankets, lighting systems, medicines, plastics, boat engines and clothing, and was extended to all the affected areas in the country.

87. Reconstruction activities have been going on for several years. Within these activities, the opportunity was seized to improve human settlements not only by using appropriate technology, but also by applying a broad concept of habitat, incorporating such elements as income-generating projects for the rural poor, protection of the environment and training of women, as indispensable elements.

88. At present, a technical cooperation project is being implemented aiming at drawing hazard maps of an earthquake in Guayaquil, floods in Cuenca, volcanic eruptions in Pichincha and Tungurahua, and tsunamis in Esmeraldas; the project is also monitoring the potential damage of landslides in Quito. All these subprojects include training of executive personnel and public education. Furthermore, a number of organizations are monitoring the most active volcanos.

4. Assessment of needs still unmet and specific proposals for responding to them effectively

89. The Government and the international community are working towards a shift from relief to a reduction in the vulnerability of Ecuador to disaster. The variety of natural disasters that may affect Ecuador and the amount of capital that would be required to mitigate their effects makes it very difficult for the Government to cover completely all eventualities at the national level. The Government therefore plans to give priority to certain investments in infrastructure that hold promise of reducing vulnerability, once all the data are gathered in terms of risks and possible losses in life and material, and feasibility studies have been carried out. Although some work has been initiated in this area, most of it remains to be done.

90. It is believed that a code regulating the conditions of construction would be valuable. While such a code would help to some degree, there is a large percentage of informal housing where supervision and control is very difficult to undertake. In this regard, several activities have been organized to disseminate information on the use of the most appropriate building techniques.

91. Few urban areas have an urbanization plan and not all of the plans have a risk factor included. To achieve this goal, it would be necessary progressively to involve local governments (in addition to central government) in training.

92. A number of proposals have been made to improve the response capability of the civil defence system but none has been adopted as yet. The Government is consulting with a number of donor countries on additional training on search and rescue.

93. In the field of disaster preparedness and mitigation, various international organizations are looking into possible actions within the framework of the recently approved UNDP fifth country programme for Ecuador,

drawing from past experience and the lessons learned from the disaster management training programme, carried out in 1991.

Notes

1/ Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981 (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

2/ See Report of the Second United Nations Conference on the Least Developed Countries, Paris, 3-14 September 1990 (A/CONF.147/18), part one.

3/ Special Emergency Programme for the Horn of Africa, Consolidated Inter-agency Appeal, United Nations, 1 February 1992.